

# CITYVIEW

City of Hamilton Planning and Development Department

1996

## INDUSTRY IN HAMILTON

### **Hamilton's Industrial Past: Where Have We Been? How Did it Happen?**

Since the middle of the 19th century, the City of Hamilton has been a major industrial and manufacturing centre in southern Ontario. The growth and evolution of Hamilton's industrial base has been in response to technological and economic changes that have occurred not only in Hamilton but throughout North America in the past 150 years.

For example, the introduction of steam power in the middle of the 19th century eroded the traditional small crafts industry and gave rise to new clothing, textile and shoe industries. New railways at the turn of the century enhanced Hamilton's transportation linkages to the United States for both finished goods and raw materials. The DeCew Falls hydro-electric plant on the Niagara River, one of the first in North America, ensured electricity was available to Hamilton industry at low cost. And in the early part of the 20th century the growing need for bulk raw materials by ship and rail focused industrial growth along the Bayfront of Hamilton Harbour.

These technological and economic changes affected the physical characteristics and the geographic

location of industrial activities in Hamilton. By the late 1920's, the physical attributes of the industrial base of Hamilton, that is present today, was largely in place.

Hamilton's industrial heritage is very evident from a land use planning perspective. These large and highly visible land areas represent a distinct feature of the community. Although the physical attributes of Hamilton's industrial base retain a clear prominence in the urban form of the community, the economic importance of the industrial/manufacturing base has been diminishing.

### **Hamilton's Industrial Present: It's Changing Right Now!**

The term "structural change" refers to fundamental shifts in the relative importance of various sectors and industries in the overall economy. The Hamilton and North American economy is continuing to shift away from the manufacturing or "goods producing" sector to the service sector. This change has been on-going for many decades. It is in recent years that this change has become more "visible" through permanent industrial / manufacturing plant shutdowns and industry rationalization.

Type of Employment Jobs in Hamilton and Ontario by Industry

	Hamilton				Ontario				Change 1971-91
	1971	1981	1991	Change 1971-91	1971	1981	1991	Change 1971-91	
Primary	445	490	775	330	173,065	192,895	182,100	9,035	
Manufacturing	58,925	63,030	39,300	-19,625	804,910	1,004,640	864,440	59,530	
Construction	9,510	8,795	7,150	-2,360	197,185	231,940	311,085	113,900	
Transportation, Storage, Communication and Utilities	7,735	9,345	7,840	105	216,425	308,660	361,930	145,505	
Trade	21,645	25,110	26,515	4,870	489,530	712,260	884,030	394,500	
Finance, Insurance and Real Estate	6,540	7,970	9,430	2,890	152,920	254,085	342,670	189,750	
Community, Business and Personal Services	35,665	49,210	60,760	25,095	770,820	1,216,510	1,795,510	1,024,690	
Public Administration and Defence	4,940	6,125	9,270	4,330	240,750	297,620	427,595	186,845	
Other	1,100	N/A	N/A	N/A	30780	N/A	N/A	N/A	
All Industries	146,505	170,075	161,040	14,535	3,076,385	4,218,610	5,169,360	2,092,975	

Source: Census of Canada.



HAMILTON'S PLAN FOR TOMORROW

The nature or characteristics of industry itself is changing as well. Today, manufacturers/industrial firms require 30 foot high ceilings, drive-in truck delivery bays and access to major highways. New manufacturing/industrial firms maintain production, service, office and sales functions together on site rather than having separate locations for each function. Manufacturing firms are generally smaller with new production methods reducing the demand for space. And heightened global competition focuses on high quality, innovation, information-sharing and trust for collaborative efforts; therefore, location and proximity to other similar type firms - "clusters" - is important.

### **Where are Hamilton's Industrial Areas? How Many Jobs Are Located in These Areas?**

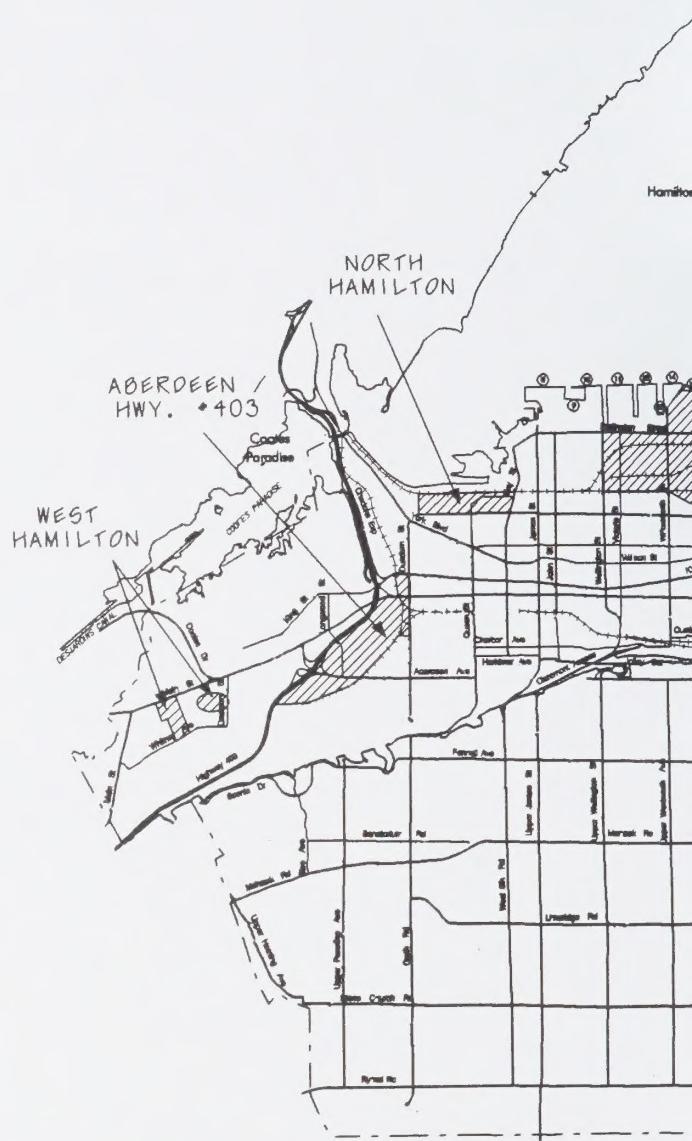
In the City of Hamilton there are six distinct industrial areas. The adjacent map and statistical table document the location of these areas and outline the number of manufacturing and non-manufacturing jobs in these areas in both 1982 and 1990.

The Bayfront is Hamilton's oldest and largest industrial area encompassing some 3,200 acres of land area. Industry in the Bayfront benefit from immediate access to the Port of Hamilton. The steel manufacturers in Hamilton account for a sizable proportion of both tonnage and vessel arrivals in the Port, but in recent years there has been a diversification of port activity encompassing dry-bulk materials (e.g., soya beans, canola seed, wheat) and liquid-bulk materials (e.g., molasses, petroleum products, food oils).

Hamilton's newest industrial area is the East Mountain Industrial Business Park (EMIBP) which consists of some 670 acres at the south-eastern edge of the Hamilton Mountain. In the late 1960's, there was a civic concern that Hamilton did not possess sufficient and less expensive vacant industrially-designated lands compared to other municipalities in Ontario. In April, 1972, City Council approved changes to the Official Plan that created the "East Mountain Industrial Park".

The creation of the EMIBP reflected a change in planning philosophy recognizing the importance of restricted industrial areas in proximity to an efficient road and rail system. The strength of the EMIBP was to recognize and encompass commercial nodes, restricted manufacturing areas and open space areas, unlike other industrial areas in Hamilton where various land uses were mixed and at times resulted in conflicts.

## **Industrial Are**

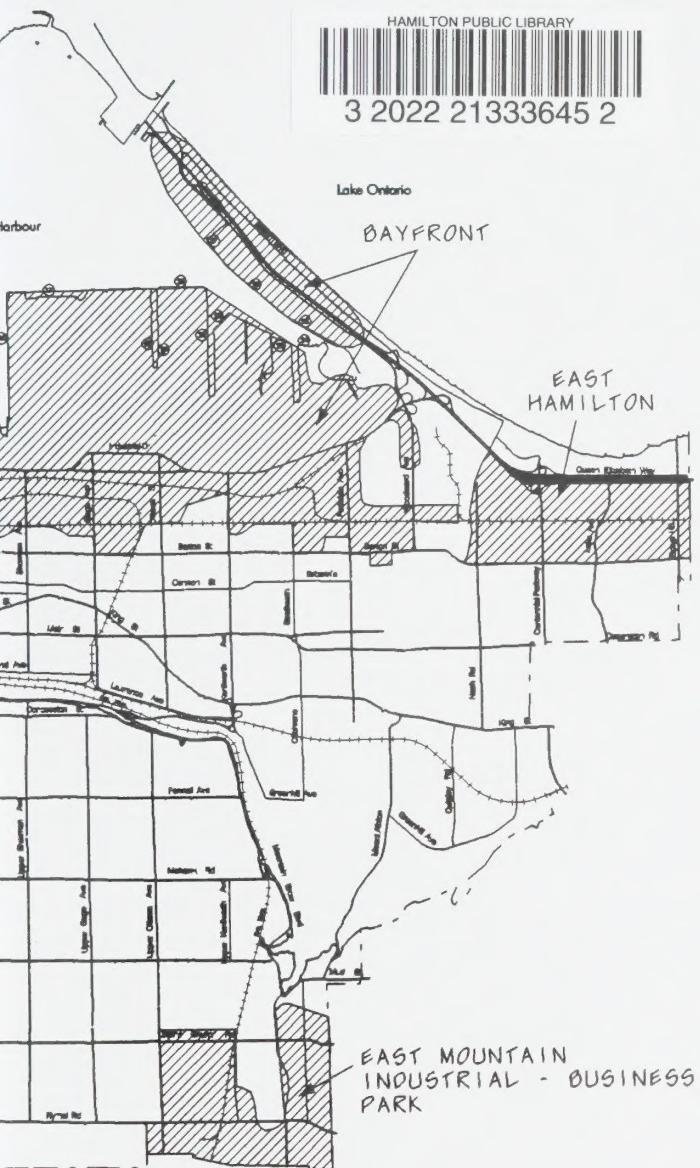


### **Employment in Hamilton Industrial A**

Industrial Area	Manufacturing	
	1982	1990
Bayfront	38,081	31,
North Hamilton	452	
West Hamilton	528	
East Mountain	537	
East Hamilton	3,153	3,
Aberdeen / 403	2,607	1,
<b>Total Industrial Areas</b>	<b>45,358</b>	<b>37,</b>
<b>Total City of Hamilton</b>	<b>50,106</b>	<b>46,</b>

Source: 1982 & 1990 Employment Surveys, Region of Hami

# as in Hamilton



areas	Non-Manufacturing		TOTAL	
	1982	1990	1982	1990
90	11,914	7,285	49,995	38,761
67	506	13	958	280
26	289	335	817	561
20	658	2,651	1,195	3,571
94	3,282	5,286	6,435	8,380
48	346	1,078	2,953	2,326
31	16,995	16,648	62,353	53,879
68	101,368	117,654	151,474	163,722

on Wentworth

The EMIBP has experienced steady and gradual growth over the past two decades. The EMIBP will continue to be the focus in Hamilton for new business and employment growth as approximately one-third of the industrially-designated land is vacant and available for development. As the population of the Hamilton Mountain continues to increase, the EMIBP is a popular location for a number of non-conventional retail establishments such as home renovation and improvement stores, garden supplies, etc., which require large floor areas and land area.

## What Do All These Numbers Mean? Conclusions?

A number of key points emerge:

- Although Hamilton has a higher proportion of manufacturing employment than Ontario, the importance of Hamilton as a manufacturing centre in Ontario has been declining.
- Manufacturing no longer represents the sole economic foundation of the community. Manufacturing remains a very important economic sector and will continue to be for the foreseeable future, but it is in decline compared to other economic sectors in the community.
- New job growth in Hamilton is occurring in the Community, Business and Personal Service sector and the Finance, Insurance and Real Estate sector; 13,030 new jobs were created in Hamilton between 1981 and 1991 in these two economic sectors.
- Hamilton's industrial areas are no longer the preserve of Manufacturing as just under one-third of all jobs were in sectors other than Manufacturing. In the East-Mountain Industrial Business Park specifically, just under three-quarters (74.2 percent) of all jobs in 1990 were non-manufacturing related.
- The economic importance of the industrial areas is diminishing. The six industrial areas in Hamilton have experienced a decrease in their share of the total number of jobs in Hamilton. In 1990, one-third (32.9 percent) of all jobs in the City of Hamilton were located in the six industrial areas, compared to 41.2 percent recorded in 1982.
- Although the Bayfront Industrial Area has the highest concentration of jobs, the number of jobs declined from 1982 to 1990. With employment declines and other downsizing measures, the intensity or space requirements of existing industrial developments may be less which results in underutilized and/or vacant lands and buildings.



- Some industrial areas are experiencing "deindustrialization", i.e., North Hamilton and West Hamilton, as industry ceases operations completely. The existing vacant industrial structures are not appropriate for new industry and remain vacant and the land becomes idle. As well, these industrial sites frequently have contaminated soils that require significant clean-up and reduce the market viability of future redevelopment.

At the same time, other areas are experiencing continued employment growth, i.e., East Hamilton and the East Mountain Industrial Business Park. Site specific characteristics, e.g., conflicting land uses, poor transportation accessibility and obsolete or dysfunctional buildings and broader economic trends are the contributing factors to deindustrialization.

## **What is Current City Planning Policy for Industry and Industrial Areas?**

Since the early 1950's, Hamilton Official Plan policies have evolved in response to shifting economic conditions. The current policies generally focus on guiding new industrial development in the City. Permitted uses within the "Industrial" designation are delineated and a number of other policies strive to minimize potential negative effects of industrial development, particularly in relation to adjacent residential development. An "Industrial" use is defined in the Official Plan as "manufacturing, processing, warehousing, repair and servicing." The underlying premise of the Industrial Official Plan policies is that there will be growth and this growth needs to be managed.

Three specific industrial "categories" are outlined within the text of the industrial policies: Heavy Industrial, General Industrial and Light Industrial. Although three industrial categories are outlined in the text, the main land use schedule to the Official Plan delineates one category, "Industrial".

Beyond the description of the various industrial categories, the Official Plan also contains a number of general policies that provide additional guidance on industrial land use matters and general industrial concerns.

### **Issues to Consider!!**

Market forces are changing the nature of economic activity within Hamilton's industrial areas - there is more non-manufacturing employment. **How should the City address this trend? Should City planning policy promote non-industrial uses in industrial areas? Or should we preserve these areas for industrial uses only?**

Modern industrial/manufacturing establishments no longer fit the stereotype of "smokestack" industry. **How should the Hamilton Official Plan be revised to accommodate the changing nature of industry?**

Parts of Hamilton that were once active and vibrant industrial areas are now home to vacant or underutilized industrial lands. **Should City planning policy scale back the amount of land it has designated for Industry? Have certain areas outlived their "usefulness" for Industry?**

To some degree, neighbourhood and site specific factors are contributing to "deindustrialization" in Hamilton. **What planning policy initiatives can the City undertake to respond to "deindustrialization" in industrial areas? What policies should be put in place to guide redevelopment from industrial to other uses?**

The East Mountain Industrial-Business Park is Hamilton's only "suburban" industrial area, but has a significant and rapidly growing non-industrial component. **Should City planning policy continue to recognize and promote the industrial attributes of this area? Or should planning policy focus on facilitating non-conventional retail and other commercial uses?**

For further information on this brochure, please contact Keith Extance at (905) 546-4158.

### **CITYVIEW**

CityView Hamilton's Plan for Tomorrow is your opportunity to present your ideas and thoughts on the future of Hamilton.

Your ideas will ultimately form the basis of a new Official Plan for the City of Hamilton.

Staff of Hamilton's Planning and Development Department are available to answer your questions on any facet of CityView.

### **Ways to Contact Us...**

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